

PRESS RELEASE

June 23, 2006

RE: UNITED STATES v. MOHAMED ALBANNA, ALI A. ALBANNA a/k/a ALI SALEH a/k/a ALI SALEH ALBANNA, and ALI TAHER ELBANEH

United States Attorney Terrance P. Flynn announced that **MOHAMED ALBANNA**, 55, of 167 Lehigh Street, Lackawanna, New York, **ALI A. ALBANNA**, 33, of 58 Ingham Avenue, Lower, Lackawanna, New York, and **ALI TAHER ELBANEH**, 62, of 58 Wilkesbarre Street, Lackawanna, New York, pled guilty today to operating an illegal money transmitting business from November 1, 2001, until December 17, 2002. The guilty pleas were entered today before United States District Judge William M. Skretny.

United States Attorney Flynn said the maximum penalty faced by each defendant is five years imprisonment, a fine of \$250,000 and a three-year period of supervised release.

Mr. Flynn said that the illegal money transmitting business was operated principally by Mohamed Albanna and Ali A. Albanna from the premises of Queen City Cigarettes and Candy, a wholesale distribution business located at 1282 Clinton Street in Buffalo, New York.

Mr. Flynn and Assistant United States Attorney Timothy C. Lynch, who prosecuted the case, said the money transmitting business was unlawful because it was unlicensed

under New York State law and unregistered under federal law. Lynch said the money transmitting business operated by Mohamed Albanna and Ali A. Albanna transmitted approximately \$3.5 million from Queen City to Yemen and from Yemen to Buffalo in the 13-month period charged in the indictment. Lynch said Ali Taher Elbaneh assisted Mohamed Albanna and Ali A. Albanna in the operation of the business.

Mr. Flynn emphasized that the defendants often did not fully and accurately record the names of the senders and recipients of the money. Mr. Flynn also said Mohamed and Ali A. Albanna admitted that on a specific occasion in September 2002, that the illegal money transmitting business conducted an \$11,000 cash transmission from Yemen to Buffalo, and failed to report that transmission as required by law. Mr. Flynn said cash transactions must be reported to the IRS if the amount of the transaction is more than \$10,000.

In the plea agreement signed by Ali A. Albanna, he admitted that in March of 2002, he handled a transfer of \$1,500 from Yahya Goba in the Western District of New York, to Kamal Derwish in Yemen. However, instead of identifying the sender as Yahya Goba, and the recipient as Kamal Derwish, Ali A. Albanna entered the name of a Goba relative as the sender, and the name Abdulwali Kushasha as the recipient, in Queen City's money transmission ledgers. Flynn said Kushasha is named and charged as a co-conspirator in this case, but that Kushasha has not been arrested and remains a fugitive.

Flynn said that, regarding the Goba-Derwish transaction, Mohamed Albanna did not dispute the government's evidence that a record relating to it was entered into the money transfer ledger that was maintained at Queen City.

Today's guilty pleas also involved over \$300,000 in forfeitures. Assistant U.S. Attorney Lynch advised Judge Skretny during today's proceedings that a total of \$179,736 has already been forfeited by the government in this investigation. Lynch said that about \$53,000 of that total was cash found in a safe at Queen City during the execution of a search warrant by federal agents on December 17, 2002. Lynch also said the remaining \$126,000 was seized from Queen City's bank account that the prosecutor said was used to facilitate the illegal money transmitting business. Lynch said that in today's plea agreements Mohamed Albanna agreed to forfeit an additional \$100,000, Ali A. Albanna agreed to forfeit an additional \$50,000, and Ali Taher Elbaneh an additional \$10,000.

Today's convictions were the result of an investigation by the Department of Homeland Security, Bureau of Immigration and Customs Enforcement, under the direction of Special Agent In-Charge Peter J. Smith, the Internal Revenue Service, under the direction of Special Agent In-Charge Anne Marie Coons, the Drug Enforcement Administration, under the direction of Special Agent In-Charge Nancy Coté, the United States Secret Service, under the direction of Special Agent In-Charge Michael Bryant and the Federal Bureau of Investigation, under the direction of Special Agent-In Charge Laurie J. Bennett.

Judge Skretny will impose sentence upon the defendants on November 8, 2006, at 9:00 a.m. The defendants continue to be released on monetary bail pending sentencing. At Mr. Lynch's request, Judge Skretny ordered the defendants to report weekly to the United States Probation Office prior to sentencing.